



## **PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov) • Website: [www.pdcc.wa.gov](http://www.pdcc.wa.gov)

TO: Members, Public Disclosure Commission

FROM: Doug Ellis  
Director of Public Outreach

DATE: August 21, 2001

SUBJECT: Proposed Rule-Making Regarding Electronic Filing

This package of proposed rules for electronic filing consists of five possible new rules.

Beginning in 2002, all candidates and political committees, including ballot measure committees, who expend \$25,000 or more in 2001, or expect to spend \$25,000 or more during 2002, will be required to submit campaign finance reports electronically. In 2004 the expenditure threshold drops to \$10,000.

The proposed rules represent the first step in implementing RCW 42.17.3691 and are designed to provide guidance to filers required to file reports electronically. Rules adopted by the Federal Election Commission and other states that have electronic filing statutes were used as a basis for these initial electronic filing rules.

- WAC 390-19-010 Intent of Electronic Filing.
- WAC 390-19-020 Electronic Filing – Mandatory Filing.
- WAC 390-19-030 Electronic Filing – Reporting Threshold.
- WAC 390-19-040 Electronic Filing – Verification and Amendments.
- WAC 390-19-050 Electronic Filing – Exceptions.

**Commission Action:** If approved, staff will file the CR 102 Proposed Rule-Making notice with the Code Reviser's Office on or before September 19, 2001. A public hearing will be scheduled for October 23, 2001 and, if adopted, the rules would become effective on January 1, 2002.

**WAC 390-19-010 Intent of Electronic Filing.** (1) The Public Disclosure Commission (PDC) was created and empowered by initiative of the people to provide timely and meaningful public access to information about the financing of political campaigns, lobbyist expenditures, and the financial affairs of public officials and candidates, and to insure compliance with contribution limits and other campaign finance restrictions.

(2) Full and prompt access to the political finance data filed by persons subject to the law is best realized through wide-spread use of electronic filing alternatives. The Washington State Legislature has mandated that certain filers submit their PDC reports electronically. The Commission encourages all persons required to report under the disclosure law to utilize the electronic filing alternatives provided by the PDC.

**WAC 390-19-020 Electronic Filing – Mandatory Filing.** (1) RCW 42.17.3691 mandates that persons satisfying the qualifying criteria in that section file all contribution and expenditure reports by electronic means.

(2) Persons filing by electronic means shall register with the PDC and receive a filer identification number and password. Filers must have a current C-1 Candidate Registration Statement or a C-1pc Committee Registration Statement with original signature on file with the PDC prior to receiving a filer identification number. Forms C-1 and C-1pc may not be filed electronically.

(3) A filer subject to RCW 42.17.3691 shall file all PDC C-3 and C-4 reports and all appropriate schedules electronically in compliance with subsection (5) of this section.

(4) Any filer required to file electronically, but who files on paper, is in violation of RCW 42.17.3691 and may be subject to enforcement action unless the filer is a candidate who has sought and been granted an exception from electronic filing under WAC 390-19-050.

(5) A filer subject to electronic filing shall file reports using one of the following formats: (a) the Washington Electronic Disclosure System (WEDS)

provided free-of-charge by the PDC; (b) software that conforms to the Political Disclosure Standard Electronic Reporting Format provided by the PDC; or (c) any other electronic filing application provided or approved by the PDC.

**WAC 390-19-030 Electronic Filing – Reporting Threshold. (1)**

Beginning with the reporting periods that start on or after January 1, 2002, the "electronic reporting threshold" that requires electronic filing of all contribution and expenditure reports is met when a candidate or political committee has expended \$25,000 or more in the preceding calendar year or expects to expend \$25,000 or more in the current calendar year. The electronic reporting threshold is \$10,000 effective January 1, 2004.

(2) "Expects to expend" is defined as when one or more of the following occurs: (a) a filer meets or exceeds the electronic reporting threshold; (b) a filer's expenditures during the last election for the same office sought exceeded the electronic reporting threshold; (c) a filer's expenditures exceed one-quarter of the electronic reporting threshold in the first calendar quarter of the current calendar year; (d) a filer's expenditures exceed one-half of the electronic reporting threshold in the first half of the current calendar year, or (e) a filer otherwise projects that the electronic reporting threshold will be met.

(3) The following expenditures or transactions are excluded from the electronic reporting threshold calculation: (a) expenditures made to pay outstanding debts carried forward from a previous election; and (b) surplus funds disposed of in accordance with RCW 42.17.095.

(4) Candidate committees or political committees supporting or opposing ballot propositions that meet, exceed or expect to meet or exceed the electronic reporting threshold shall report electronically for the duration of the campaign.

**WAC 390-19-040 Electronic Filing – Verification and Amendments.** (1) An electronic report is filed when it is received and validated by the Public Disclosure Commission (PDC) computer system. The PDC shall notify the filer that the electronic report has been received.

(2) An electronic report is timely filed if received on or before 11:59 p.m. Pacific Time on the prescribed filing date.

(3) An electronic report that is infected with a virus, damaged, or is improperly formatted is not properly filed with the PDC and shall be rejected.

(4) To amend an electronically filed report, the filer shall electronically re-file the entire report.

**WAC 390-19-050 Electronic Filing – Exceptions.** (1) The Commission may make exceptions on a case-by-case basis for candidates whose authorized committees lack the technological ability to file reports electronically.

(2) A candidate seeking an exception under RCW 42.17.3691 shall file with the PDC a written statement of reasons why the authorized committee lacks the ability to file reports electronically.